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August 25, 1997

James W. Goddard, Ph.D. RR #5, Box 34A Lake Eufaula, Oklahoma 74432

Re: Notice of Intention to Commence Small Mining Operations, Golden Empire Ltd., Golden Empire #1 Project, S/037/097 (ML 47330), San Juan County, Utah

Dear Mr. Goddard:

Thank you for your letter and Notice of Intention to Commence Small Mining Operations, received by the Division on July 8, 1997. The notice is for Golden Empire Ltd.'s proposed Golden Empire #1 Project, located in the SE 1/4 of Section 2, T30S, R22E, SLBM, San Juan County. This project was initially submitted as an exploration notice and was assigned Division file number E/037/093. The exploration notice was deficient and additional information was requested in the Division letter of June 20, 1997. This latest submission is a response to that Division letter and a result of your conversation with Will Stokes of the School and Institutional Trust Lands Administration ("SITLA").

After reviewing this submission the Division has determined this project should be categorized as a small mine project rather than an exploration project. Therefore, exploration file #E/037/093 will be closed and the information from the exploration file will be moved to the new small mine operation file. Future correspondence for this project will be referenced by the Division with file number S/037/097. The Division will combine the information in this latest submission with the information in the initial notice.

This July 8, 1997, submission amends the previous notice by changing the five items or aspects described. The project area is now located within the NE/4 SE/4 of Section 2. The total disturbed area as amended is now approximately 4.2 acres. Given these changes in location, scale, duration and processing of the proposed operations the Division has determined that this notice is still incomplete and the following information is requested:

- A description of the physical and chemical nature of the semi-solid material to be pumped from tanks #1 and #2 to the temporary storage area. We understand from the initial proposal that the temporary storage area is actually the area last mined out.
- A description of the ultimate disposition of the process water and the chemical composition of this water at the end of operations.

Page 2 James W. Goddard S/037/097 August 25, 1997

For clarification purposes, this small mine notice has been prepared by you on behalf of Golden Empire Ltd. The exploration notice filed for this project listed Bob Bolles as the operator's representative. This small mine notice is signed by you. By signing this form you are identified as the designated operator, or the party responsible for compliance with the Utah Mined Land Reclamation Act at this operation. If your intent was for Mr. Bolles to be the designated operator please provide a new signature page signed by Mr. Bolles with the appropriate mine name and Division small mine file number listed on the page.

The Division will suspend review of this proposal until receiving your response to this letter. Thank you for your cooperation. In reply, please reference Division file number S/037/097.

Sincerely,

Anthony A. Gallegos

Senior Reclamation Specialist

jb Enclosure

Roger L. Bon, UGS
Dave Rupp, DWQ

Will Stokes, SITLA (ML 47330)

Tracking File

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